

# THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 725-4000

DEVAL L. PATRICK  
GOVERNOR

TIMOTHY P. MURRAY  
LIEUTENANT GOVERNOR

July 12, 2007

To the Honorable Senate and House of Representatives:

Pursuant to Section 5 of Article 63 of the Amendments to the Constitution, I am today signing House 4141, "An Act Making Appropriations for the Fiscal Year 2008 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities for the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements."

I am very proud to sign House 4141 into law. This budget is the product of true collaboration between the Legislature and our Administration, based on shared priorities and values and a shared commitment to building a better Massachusetts. Significantly, House 4141 holds spending to the smallest rate of growth in three years and is almost equal to that of our House 1 budget proposal for fiscal year 2008. The actual percentage rate of growth over last years' budget is 4.42%. Within this framework, the budget contains numerous public investments and initiatives that will strengthen our economy, our community and our state government, including:

- *Laying a foundation for the next phase of education reform*
  - a \$6.8 million increase in Kindergarten Expansion Grants compared to last year's budget
  - a \$6.5 million increase in Extended Learning Time Grants, doubling funding for this program
  - a \$2.5 million increase for Universal Pre-Kindergarten Grants
  - \$3.75 million for a new Commonwealth Covenant Fund to help public college graduates working in the critical fields of science, technology, engineering and mathematics pay

off their student loans, and \$4 million for the STEM grant program

- *Building a new partnership with our cities and towns*
  - a 5.8 percent total increase in Local Aid, including a \$77 million off-budget increase for the School Building Authority
  - a \$220 million increase in Chapter 70 education aid
  - a \$3 million increase in payments to cities and towns in lieu of taxes for state-owned lands
  - \$23 million for water and sewer rate relief for MWRA communities

These investments complement separate legislative progress on parts of our proposed Municipal Partnership Act aimed at helping cities and towns control costs and otherwise take the pressure off residential property taxes.

- *Keeping our streets and neighborhoods safe*
  - \$4 million to fund new police officers – which augments another \$4 million for new police officers enacted in May, enabling more new officers to join the patrols in local communities
  - \$21.4 million for community policing initiatives
  - a \$2 million increase for job opportunities for at-risk youth
  - \$2 million for a new youth violence prevention program
- *Maintaining our commitment to the Commonwealth's historic health reform law*
  - over \$1.8 billion for health reform, including funding for new opportunities to secure quality, affordable health insurance through MassHealth and the Commonwealth Care program
  - first-time line-item funding of \$1.0 million for the Health Care Quality and Cost Council, so they can get to work on strategies to reduce system costs
  - \$3.5 million for health care outreach and enrollment grants, plus \$200,000 to establish a Health Care Reform Outreach and Education unit in EOHHS

- *Restoring public health to a public priority*
  - a \$12 million increase for the Universal Immunization Program, including funding to provide coverage for two new vaccines to prevent young people from contracting serious illness
  - a \$4.5 million increase for smoking prevention and cessation initiatives
  - a \$2.5 million increase for suicide prevention initiatives
  
- *Supporting job creation and economic growth*
  - \$4 million for grants to help cities and towns streamline their permitting processes
  - \$3.5 million in consolidated funding for the Massachusetts Office of Business Development and the In-State Sales Force program, for a coordinated strategy to market Massachusetts
  - \$700,000 to support biotechnology commercialization at the Massachusetts Biotechnology Research Institute, and \$250,000 for efforts to expand broadband access across the Commonwealth
  - a \$15 million increase for local housing authorities compared to last year's budget
  
- *Making state government more efficient and effective*
  - Establishment of the State Retiree Benefits Trust Fund – funded from the balance of the Health Security Trust Fund at the end of fiscal year 2008 – to help make Massachusetts a pioneer in paying down its liability for health care costs for retired public employees
  - A new line item to encourage state agencies to participate in e-commerce, resulting in improved on-line customer service and cost savings
  - Consolidation of a number of public health screening and prevention programs, to facilitate improved coordination and a comprehensive strategy for disease prevention
  - Restraint in the use of outside sections, recognizing that legislative changes not directly related to the budget itself are best advanced separately from the budget

House 4141 also includes an innovative approach to distributing any end-of-year fiscal year 2007 surplus – committing these funds to both the newly established Bay State Competitiveness Trust Fund for strategic public investments and our Commonwealth Stabilization Fund to augment state fiscal reserves. The funding deposited in the Bay State Competitiveness Trust Fund could be one mechanism for advancing our recent initiative to make Massachusetts a global leader in life sciences.

I am very pleased by the significant progress that this budget makes in strengthening our economy, our communities and our state government and laying a foundation for lasting change. At the same time, there are a few areas in which I wish to propose changes. Along these lines, I am using my line-item veto authority to reduce spending by \$41,426,084, including \$712,241 in federal grants. These vetoes encompass areas where House 4141 provided levels of funding that exceeded the needs of agencies or programs or duplicated initiatives. These vetoes also address earmarks that raised heightened concerns, in many cases because they were inconsistent with the mission of the program under which they were funded. While many of these earmarks are worthy and have programmatic merit, this inconsistency of mission and charge limits the ability of government to exercise effective oversight and guarantee the most efficient delivery of services. I remain committed to significantly reducing the use of earmarks, as I believe public funds are put to their best use when distributed through a competitive and transparent grant process or as part of a comprehensive strategy to achieve an agency's mission. I look forward to working with the Legislature to find the right balance between providing appropriate flexibility to state agencies and respecting the Legislature's important role in helping to establish our priorities.

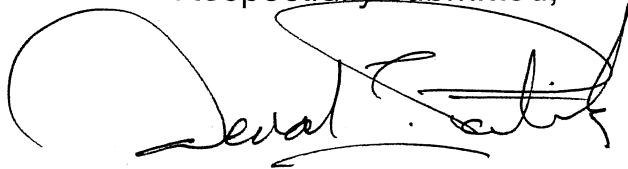
Therefore:

- I am reducing appropriation amounts in items of section 2 and 2D of House 4141 enumerated in Attachment A of this message by the amount and for the reasons set forth in that Attachment;
- I am disapproving or striking wording in items of sections 2 and 2B of House 4141 also set forth in Attachment A, for the reasons set forth in that Attachment;

- I am disapproving those sections of House 4141 itemized in Attachment B of this message for the reasons set forth in that Attachment; and
- Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth, I am returning sections 17, 30, 53 and 86 with recommendations for amendment. My reasons for doing so and the recommended amendments are set forth in separate letters dated today which are included with this message as Attachments C, D, E and F.

I approve the remainder of this Act.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Deval Patrick", with a large, sweeping loop at the beginning and a horizontal line at the end.